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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED

MAY 6 2008

May 6, 2008

MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

In re:

Chapter 11

SENTINEL MANAGEMENT GROUP, INC.,

Case No. 07 B 14987

Debtor.

Hon. John H. Squires

FREDERICK J. GREDE, as Chapter 11 Trustee
for Sentinel Management Group, Inc.,

Adv. Proc. No. 08-127

Plaintiff,

vs.

THE BANK OF NEW YORK and
THE BANK OF NEW YORK MELLON CORP.,08CV2582
JUDGE ZAGEL
MAG. JUDGE SCHENKIER

Defendants.

DEFENDANTS' MOTION TO WITHDRAW THE REFERENCE

Defendants The Bank of New York and The Bank of New York Mellon Corp. (together, "BNY") hereby move the District Court for the Northern District of Illinois (the "District Court") for entry of an order withdrawing the reference to the Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") of the above-captioned adversary proceeding, and, in support thereof, respectfully state as follows:

1. Withdrawal of the reference to the Bankruptcy Court is mandatory under 28 U.S.C. § 157(d) because this action will require consideration of significant open and unresolved issues regarding the proper interpretation of non-bankruptcy federal law. Specifically, the Complaint raises three distinct open issues regarding the scope and enforcement of both the Commodity Exchange Act, 7 U.S.C. ch. 1, and the Investment Advisers Act of 1940, 15 U.S.C. § 80b-6(4).

2. Alternatively, the District Court should exercise its discretion to withdraw the reference for cause because two of the Trustee's eight claims are non-core, those that are core will require consideration of complex non-bankruptcy issues of federal law, and considerations of judicial economy on the whole favor permissive withdrawal.

3. In further support of this Motion, BNY has filed a Memorandum in Support of Defendants' Motion to Withdraw the Reference contemporaneously herewith.

WHEREFORE, BNY respectfully requests that the District Court enter an Order withdrawing the reference of this action to the Bankruptcy Court and granting such other or further relief as the Court deems just or appropriate.

Dated: May 2, 2008

Respectfully submitted,

**THE BANK OF NEW YORK and
THE BANK OF NEW YORK MELLON CORP.**

By: /s/ Sean T. Scott

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- and -

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